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TUESDAY,  
JULY 1, 1952

# THE JERUSALEM POST

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*Marginal Column*  
By COMMENTATOR

OKRI Abu, an Egyptian  
businessman, gave the Hilali  
cabinet four months in office  
and he has been right almost  
to a day. Hilali has failed in  
everything. He started: He  
has not reached agreement  
with the British and the Suez  
Canal; he has not succeeded  
in keeping down the cost of  
living; nor has he carried out  
the promises of a real purge  
in public and political life.  
It should be said in all fairness  
to Hilali: it is not a nobody  
who would have been able to  
succeed under present conditions; and the immediate  
reasons for his downfall are  
most probably not connected  
with his failure, which was  
regarded as more or less inevitable.

It is too early to draw  
conclusions, but there are signs that Hilali fell  
victim to a partial one; between the  
palace and the Wafid, and to a palpable change in the  
attitude of the Wafid towards  
America. There has been an  
unmistakable change in the  
tide of the Wafid press towards the U.S. and the  
formerly frequent references to  
"American imperialism" have  
become very infrequent indeed. Hussein Pasha's cabinet  
will be a caretaker government.  
He has paved the way for the Wafid twice before in  
1943 and in 1950 and he might do it again. It should  
be noted, moreover, that a  
public declaration made by  
Hussein Pasha about ten days  
ago against the planned elec-  
toral reform by Hilali was  
received with evident satisfaction  
by the Wafid press.  
Hussein Pasha, in one of the  
"Independents" with whom they  
might be able to collaborate.

LIJNSEIN Siry has seldom  
been in the limelight in  
recent months apart, of  
course, from such events as  
the recent annual meeting of  
Anglo-Egyptian oilfields, of  
which he is a director. But he  
has come out in favour of  
the abolition of the state of  
emergency in view of the  
general situation about the  
restoration of Cairo's night life.  
Hussein Pasha will get  
enough credit to last him for  
a month or two. He will not,  
of course, be able to solve  
any of the more important  
problems of the country, and he  
might be even more helpless  
than his predecessors in  
view of the growing economic  
crisis.

HILALI spent the last  
weeks in office trying to  
establish a new party, in co-  
operation with the leaders of  
the smaller parties, an at-  
tempt which has not been  
crowned by success so far. In  
his spare time he entered in  
to a meeting in "Ahram",  
against Nasser Pasha. Hilali  
argued that the Wafid had en-  
tered negotiations with Britain without stating its basic  
demands and conditions, and  
had charged the Wafid with  
leading a foreign policy of  
its own and entering in direct  
contact with foreign powers  
while out of office, an allegation  
which has been denied but need not necessarily be  
true.

THERE can be no negotiations  
between London and a care-  
taker government, and anything  
more stable might be  
expected in Cairo only after  
the elections, the date of  
which has not yet been fixed.

Meanwhile Cairo Society has  
decided that owing to the  
new currency regulations nobody  
will be able to spend  
holidays abroad, because a  
family of three will be allowed  
to take a mere £1,250 (apart from their tickets).  
Miss Alia D'Acosta has won  
first prize in the Giza com-  
petition at Helnholz Palace,  
Alexandria, for the most  
beautiful logo, and according  
to the latest wage of the Egyptian  
workman is 84 mils a  
day, whereas it costs 130 mils  
to keep a slave.

Jerusalem, July 1

## Registration Of Gold Approved

The way was paved last night for administrative  
action to requisition gold. The Finance Minister  
authorized to order the registration of gold  
holdings and also empowered him to order, with the  
consent of the parliamentary Finance Committee, the sale  
of gold to the Government.

The Government is already  
working out details of the  
contemplated measures, it was  
disclosed by the chairman of the Finance Committee, Mr. Israel Guri, who  
said that the former Finance Minister, Mr. Eliezer Kaplan, had said that the order for  
registration and requisition would be issued simultaneously.

The measures giving the  
Finance Minister his new  
powers were enacted by the  
Knesset in the form of ad-  
ditions to the Defence Regulations (Finance), which are  
the legal basis for most of  
the Government's control  
measures. The Regulations  
expired at midnight last night  
and they were extended until December 31, two hours  
before the deadline.

The new measures also ban  
the possession of gold in public  
places and provide for the  
confiscation of gold for con-  
traventions.

The measures were taken  
at the initiative of Mr. Ahar-  
on Zisling (Mapam). The  
Government had not asked for  
these powers when they  
first introduced the bill ex-  
tending the Defence Regulations.  
Mr. Zisling advocated  
measures for the seizure of  
gold during the general debate.  
When the bill went to  
Committee, Mapam swung  
behind Mapam. The bill had  
another first reading in its  
amended form, and last night  
came back for its final reading.

**Measure Under Fire**  
It came under fire from  
left and right. Mapam wanted  
to stifle it by providing  
that whatever regulations  
applied to foreign currency  
should also apply to gold.  
This was opposed on behalf  
of the Finance Committee by  
Mr. Guri who said it was  
harder to control trading in  
gold than in foreign currency.  
Speakers for the General  
Zionist, Herut and the Pro-  
gressives said the measure  
was futile and that the  
Government could get the gold  
from the people only by  
offering them incentives. A  
series of practical proposals  
was put forward. Mr. Guri  
did not reject these, but said  
some of the ideas might be  
considered on their merits.

Some of the proposals were:  
Mr. Shimon Segev (General  
Zionist): The Government should  
impose an import duty for  
materials for the manufacture  
of goods from an approved list,  
and the importers should be  
permitted to finance the  
gold at current prices.  
The manufacturer should  
be sold at uncontrolled prices but  
at parity with the profit.

Mr. Yehoshua Barak (Herut): The  
import of gold should be  
controlled by the Government should  
be fixed by the law courts and not  
administratively.

Mr. Eliezer Kaplan (Pro-  
gressives): The Government should  
authorize people owning gold to  
import it at controlled prices and  
the balance at free market prices.

Alternatively, the gold should be  
loaned to the Government and compensation

paid to finance the purchase of  
gold at current prices.

Mr. Eliezer Segev (General  
Zionist): People selling gold to  
the Government should be per-  
mitted to buy with the proceeds  
from "dollar shops" obtain  
government lands or convenient  
sites or pay for travel abroad.

**Kollek May Head  
Ben Gurion's Office**

The principal candidate for  
the post of Director-General  
of the Prime Minister's office  
is understood to be Mr. Theodore Kollek, who until  
recently was Minister Plen-  
potentiary at the Israel Embassy  
in Washington.

It is learned that Mr. Kollek  
will be arriving in Jerusalem  
in a few days to discuss with Mr. Ben Gurion  
his appointment to the office  
left vacant by the transfer  
of Mr. Eliezer Avriel to be  
Director-General of the Ministry  
of Finance.

Jerusalem, July 1

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## Merging of Arab MAC's Requires Israel Approval

TEL AVIV, Monday. — The  
merging of all Mixed Aramean  
Commissions which, according  
to a Reuters dispatch, will be proposed at a meeting of  
Arab MAC Chairmen in  
Damascus, can not be affected  
without Israel approval, the  
military spokesman said here.

The Petroleum Bill  
Took 2 Yrs. to Draft

The Petroleum Bill, which is  
on the Knesset agenda this  
week, is the product of two  
years' work by a Ministry of  
Finance spokesman said in Jeru-  
salem yesterday. It is not yet  
certain whether at today's meeting  
of the Knesset, and it appears  
doubtful whether the debate on  
the first reading will get under  
way before next week.

The Bill provides for three  
stages of exploitation of  
Israel's oil resources. In the first  
stage, companies will be granted  
permits for carrying out  
preliminary investigations not  
including test drilling in order  
to ascertain the prospects for  
discovering petroleum. In the  
second stage, licences will be  
granted for three years which  
require the beginning of "petro-  
leum exploitation within four  
months" and which must con-  
tinue "with due diligence as long  
as the licence is in force." The  
license is also required to be  
given test drilling within two  
years, and to continue drilling  
"with due diligence until we  
make a discovery." In the third  
stage, after oil is found, leases  
will be granted for 30 years, re-  
newable for an additional term  
of 30 years.

Explaining the terms of the  
Bill to foreign pressmen yester-  
day, Mr. Israel Kastor, petro-  
leum adviser to the Govern-  
ment, said that whereas the  
terms were liberal as regards  
payments (32 per cent royalty  
on oil) and 3m. dunams for  
dunams for exploration  
licences and 3m. dunams for  
other conditions, they might be regarded as rather  
"harsh and difficult" in  
the matter of time.

The reason was obvious, he  
said: the Government was in-  
terested in getting results as  
quickly as possible, and it pre-  
ferred to have a potential  
smaller revenue next year than  
the possibility of a greater revenue  
in 10 years' time. The time element is expressed in the  
law in the words "due diligence"  
which recur throughout the  
clauses, indicating the  
pace with which the licensees  
are required to carry on operations.

The law was drawn up in  
consultation with American experts  
and it has been circulated  
among some 30 oil-men in the  
U.S. Large oil companies had  
expressed some reservations but  
U.S. government officials had  
reviewed and commented on it.  
It was felt that the practical  
framework of the petroleum  
industry and also suits our  
own requirements.

By intensifying the cul-  
tivation of present citrus  
groves, production could be  
doubled, it was said. At present  
125,000 dunams, of which 90,000 are Jewish, are  
being cultivated. This season  
314,000 tons of citrus were  
harvested of which 140,000 tons  
were exported. Production  
could be raised to 12m. crates,  
of which 7m. to 8m. could be  
exported.

Doubts were raised whether  
citrus groves could stand  
foreign competition since wages  
have risen from 200 to 214 today  
before the war to £1.4 today  
while the world price of  
citrus had only tripled.

A suggestion was presented  
to build new settlements  
in the Coastal Plain only on  
barren ground since they  
were encroaching on the  
seas.

The main issue in the de-  
bate was academic freedom.  
The Minister said that the  
independence of higher learning  
and the freedom of academic  
research were "one of  
the aims of the Council, but  
all the Opposition speakers  
in the debate argued that  
there were too many Govern-  
ment representatives on  
the Council and that this  
would impair academic freedom.

**Council's Composition**  
The Council, according to  
the bill, will be headed by  
the Prime Minister with the  
Minister of Education as  
vice-chairman. It will also  
include the President of the  
Supreme Court, the Chief of  
the General Staff, the Attorney-  
General, the Economic  
Adviser to the Government,  
the director of the Research  
Council, the President of the  
Hebrew University, the Rec-  
tor of the University and  
three other members of the  
Senate, the principal, the  
assistant principal and a  
representative of the Faculty  
of the Hebrew University.

Plans were advanced for  
extending the period for which  
wages were to be fixed by the  
world market and during  
the fall when they were  
negotiated.

The Government was asked to  
encourage the export of agricultural  
products by commercial  
agreements, rather than by  
agreements between the Com-  
mission and the agricultural  
ministers, as called for by  
the Council. The Council would be  
concerned with the general  
problems of agriculture.

Proposed to accommodate a rise  
of the foreign currency needed  
for the purchase of imports  
was to increase the amount of  
gold held in reserve creating  
new interest rates and giving  
central bank more room to  
maneuver in foreign currency  
operations.

## Korean Assembly Given Ultimatum By Pres. Rhee

TEL AVIV, Monday (UPI). —  
President Syngman Rhee  
today issued an ultimatum  
to the Korean National As-  
sembly to give to the voters  
power to elect the president,  
or face dissolution.

Rhee, who was dismissed  
from dissolving the Assembly  
a month ago by protests from  
the U.S. and other members  
of the U.N., said he would  
go ahead with the original  
plan unless the Assembly  
passes a constitutional amendment  
surrendering its exclusive power to elect the  
President.

In a message to the Assembly  
at today's last regular session,  
read by Prime Minister Chang  
Rhee, said: "I cannot wait any longer. I am now  
studying ways and means of dissolving the National  
Assembly. I must have the will of the people."

A Government spokesman  
said today the President may  
win enough support in the  
Assembly tomorrow to put  
through his bill.

**Eight Killed Here**

Most violations of the border  
are believed to have been made  
from Jordan-held territory. An  
agreement, signed in February  
by which Jordan undertook to  
prevent "marauding" proved  
futile. Eight persons in Israel  
were killed during March  
April and May, it was learned.  
Marauding from Egyptian-held  
territory has decreased somewhat  
in the past few months, but has taken on a more  
organized aspect. There has been  
little or no marauding from the  
Lebanon or Syria lately.

**Riley Now in Geneva  
Expected Here July 10**

Major-General William Riley,  
Chief of U.N. Supervision Staff,  
has arrived in Geneva, it was  
learned in Jerusalem yesterday.

It is understood that he is not

expected in the Capital before  
July 10 unless matters regarding  
the armistice agreement with  
Jordan should deteriorate to an extent requiring his presence.

The Assembly is being  
brought about by 60 members of  
the opposition Democratic  
National Party, 19 members of  
the Liberal Party and by 30 other  
members of the Liberal Party  
who are either in prison or  
in hiding or under arrest.

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The Council for Higher  
Studies to be Set Up

The Minister of Education,

Professor Bezalel Dinur,

introduced a bill to

the Knesset yesterday

providing for the establishment of a  
Council for Higher Studies

designed to deal with the  
organization of higher studies

in the country and a purge within

the army and the King.

**Plans to Encourage  
Fruit, Wine Export**

Recommendations to en-  
courage the export of citrus,

bananas, grapes, and wines

were discussed yesterday by

the Economic Council

meeting in Jerusalem under

the chairmanship of Mr. Peretz

Naphtali, the Minister of

Agriculture. The recommendations are to be summarized

at the Council's 11th meet-

ing on July 14.

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tivation of present citrus

groves, production could be  
doubled, it was said. At present  
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